

490.1620 Financial statements for shareholders.

1. A corporation shall deliver to its shareholders annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the fiscal year, an income statement for that year, and a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis.

2. If the annual financial statements are reported upon by a public accountant, the report must accompany them. If not, the statements must be accompanied by a statement of the president or the person responsible for the corporation's accounting records which does all of the following:

a. States such person's reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation.

b. Describes any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

3. Within one hundred twenty days after the close of each fiscal year, the corporation shall send the annual financial statements to each shareholder. Thereafter, on written request from a shareholder to whom the statements were not sent, the corporation shall send the shareholder the latest financial statements. A public corporation may fulfill its responsibilities under this section by delivering the specified financial statements, or otherwise making them available, in any manner permitted by the applicable rules and regulations of the United States securities and exchange commission.

89 Acts, ch 288, §179; 2013 Acts, ch 31, §79, 82

Referred to in §490.1320, 490.1324, 490.1601

[T] 2013 amendment striking and rewriting this section takes effect January 1, 2014; 2013 Acts, ch 31, §82

[T] Section stricken and rewritten